
HOUSE BILL No. 1290

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-9-39.1.

Synopsis: Sewer improvement and extension fund. Authorizes a municipality to establish a sewer improvement and extension fund and impose assessments to finance the construction, repair, or improvement of a sewage works. Provides that assessments are imposed and collected in the same manner as Barrett Law assessments.

Effective: July 1, 2006.

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January 10, 2006, read first time and referred to Committee on Local Government.

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Introduced

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE BILL No. 1290

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-9-39.1 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2006]:

4 **Chapter 39.1. Alternative Assessment Financing for Municipal**
5 **Sewage Works**

6 **Sec. 1. This chapter applies to all municipalities.**

7 **Sec. 2. As used in this chapter, "board" has the meaning set**
8 **forth in IC 36-9-23-5.**

9 **Sec. 3. As used in this chapter, "fund" refers to a sewer**
10 **improvement and extension fund established under section 5 of this**
11 **chapter.**

12 **Sec. 4. If a board wants to construct, repair, extend, or improve**
13 **a sewage works, the board may adopt a resolution providing that**
14 **the construction, repair, extension, or improvement will be**
15 **financed under this chapter.**

16 **Sec. 5. (a) A municipality may adopt an ordinance establishing**
17 **a sewer improvement and extension fund to finance the**

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1 construction, repair, extension, or improvement of a sewage works.

2 (b) A fund consists of the following:

3 (1) A special assessment imposed and collected under section
4 7 of this chapter. However, a special assessment imposed and
5 collected under any other statute may not be deposited in the
6 fund.

7 (2) An appropriation to the fund, including an appropriation
8 made from taxes levied by a municipal legislative body for the
9 construction, repair, extension, or improvement of a sewage
10 works.

11 Sec. 6. (a) The legislative body of a municipality that establishes
12 a fund may appropriate money from the municipal general fund
13 and transfer the money to the fund.

14 (b) During the fiscal year in which a municipality establishes a
15 fund, the legislative body of the municipality may make an
16 emergency appropriation from the municipal general fund and
17 transfer the money to the fund.

18 Sec. 7. (a) A board may adopt an ordinance or a resolution to
19 appropriate money from funds under the board's control to pay for
20 all or part of the cost of the construction, repair, extension, or
21 improvement of a sewage works.

22 (b) Any costs not paid under subsection (a) must be paid by:

23 (1) an assessment imposed under subsection (c) against the
24 benefited properties; or

25 (2) a contract under IC 36-9-22.

26 Any interest or penalties attributable to an assessment under this
27 section must be deposited in the fund.

28 (c) The board may adopt a resolution to impose an assessment
29 to finance the construction, repair, extension, or improvement of
30 a sewage works. The assessment must be imposed and collected as
31 provided by the street and sewer improvement statutes.

32 Sec. 8. (a) A contract for the construction, repair, extension, or
33 improvement of a sewage works is subject to the statutes
34 authorizing municipalities to make and finance public
35 improvements.

36 (b) Upon awarding a contract for the construction, repair,
37 extension, or improvement of a sewage works under this chapter,
38 a board shall:

39 (1) carefully compute the entire cost of the construction,
40 repair, extension, or improvement, including payments to the
41 contractor and all incidental costs, expenses, and damages
42 paid and incurred according to law; and

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1 (2) prepare and make out an assessment roll listing the
2 assessments against the properties benefited.

3 In determining and fixing the amount of assessments, the giving of
4 notice of assessments, the holding of public hearings, and the
5 making of final determinations, subject to the right of appeal from
6 those determinations, the board is governed by the street and sewer
7 improvement statutes.

8 (c) An assessment under this chapter is a lien against the
9 benefited property from the time of the letting of the contract and
10 shall be collected in the manner provided for collection of Barrett
11 Law assessments.

12 (d) The board shall fix a period of not more than twenty (20)
13 years within which the assessments shall be paid.

14 (e) A property owner liable for an assessment may execute a
15 waiver in the manner provided by the street and sewer
16 improvement statutes to pay the assessment in annual installments
17 over a period fixed by the board.

18 (f) All payments under this chapter are deposited into the fund.

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